The Final Vote

As we approach the final vote on AGIA, I sincerely commend the members of our Alaska legislature for conducting such a thorough review of this Administration's recommendation to issue the AGIA License to TransCanada Alaska.

This Legislature has listened to hundreds of hours of thoughtful discussion from consultants and experts, as well as from Alaskans who care deeply about the state's future. We all appreciate the many hours our legislators have spent listening to testimony and considering this historic decision.

As legislators built into the AGIA law last year, there is only one formal question remaining that should be answered during this special session, and that's whether legislators will answer "yes or no" on issuing the license, as proposed by the commissioners.

I remind Alaskans that an effort to de-rail this process continues, tirelessly. Failing to successfully argue against the TC Alaska proposal or the Commissioners' finding, this group would now undermine the AGIA process by asking whether to change the terms of AGIA or place new conditions on the AGIA license. This question was even raised during some committee hearings.

Aside from the fact that changing AGIA at this point violates the law, it's inappropriate and, under the best outcome, brings everyone back to square one. In fact, we know that the legislative legal counsel already stated that if AGIA requirements are changed, the application is not complete and we'd have to start over. So, we'd ask the legislature at

this point, to act in good faith and keep our word to TransCanada since TC Alaska and other applicants acted in good faith to satisfy the legislators' legal requirements contained within AGIA.

Additionally, changing the terms of AGIA at this late point in the game and after public input, also raises constitutional due process issues because the new terms may have encouraged others to apply who didn't or preclude TransCanada from applying in the first place.

Finally, a last-minute change sets a horrible precedent if the result is that we have to begin the process over again because legislators added new terms. It's not realistic to expect businesses to go through the process all over again and absorb the time and expense when they know the state may change the rules yet again <u>after</u> they submit their application.

And so for those reasons, this administration believes that it would be incredibly dangerous to change the ground rules or the commissioners' license as proposed. The simple truth is that changing the ground rules as written into law last year is the same thing as voting against issuing a license. It is a "No" vote.

We have come so far in finally getting Alaska's valuable natural gas resources to market in a way that protects the state's interests and benefits all Alaskans. I remain confident that with a "Yes" vote, we will have a natural gas pipeline that will benefit the people of this state, and the nation, for generations.

Sarah Palin Governor